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SENATE BILL 371

47TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2005

INTRODUCED BY

Phil A. Griego

AN ACT

RELATING TO INSURANCE; PROVIDING FOR ASSIGNMENT OF HEALTH CARE  
AND DENTAL CLAIMS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. A new section of the Nonprofit Health Care  
Plan Law is enacted to read:

"[NEW MATERIAL] ASSIGNMENT OF HEALTH CLAIMS. --

A. Claims shall be paid on the basis of assignment  
to the purveyor of the health care. The purveyor shall not  
collect any payment from the subscriber except a copayment,  
coinsurance, deductible or other amount that the subscriber is  
liable for under the health care plan.

B. A health care plan shall not refuse to honor an  
assignment of a claim. An insurance policy or contract issued  
or renewed after June 30, 2005 shall not contain a restriction

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1 on the subscriber's right to assign a claim to a purveyor of  
2 health care.

3 C. Claims shall be paid pursuant to the Nonprofit  
4 Health Care Plan Law.

5 D. As used in this section:

6 (1) "assignment" means the transfer from a  
7 subscriber of the right to collect a claim payment to the  
8 purveyor who rendered the health care; and

9 (2) "claim" means a demand for health care  
10 expense payment. "

11 Section 2. A new section of the Nonprofit Health Care  
12 Plan Law is enacted to read:

13 "[NEW MATERIAL] PURVEYOR DISCRIMINATION PROHIBITED--  
14 LICENSED CLASS.--All individual and group subscriber contracts  
15 delivered or issued for delivery in New Mexico by a nonprofit  
16 health care plan that, on a service or indemnity basis, or  
17 both, provide for treatment of persons for the prevention, cure  
18 or correction of any illness or physical or mental condition  
19 shall not contain any provisions that exclude a person licensed  
20 pursuant to the Dental Health Care Act and shall not  
21 discriminate in the reimbursement levels for same or similar  
22 services provided by other purveyors. "

23 Section 3. A new section of the Prepaid Dental Plan Law  
24 is enacted to read:

25 "[NEW MATERIAL] ASSIGNMENT OF HEALTH CLAIMS.--

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1           A. Claims shall be paid on the basis of assignment  
2 to the provider of the prepaid dental services. The provider  
3 shall not collect any payment from the member except a  
4 copayment, coinsurance, deductible or other amount that the  
5 member is liable for under the membership coverage.

6           B. A prepaid dental plan organization shall not  
7 refuse to honor an assignment of a claim. An insurance policy  
8 or contract issued or renewed after June 30, 2005 shall not  
9 contain a restriction on the member's right to assign a claim  
10 to a provider of prepaid dental services.

11           C. Claims shall be paid pursuant to the Insurance  
12 Code.

13           D. As used in this section:

14                   (1) "assignment" means the transfer from a  
15 member of the right to collect a claim payment to the provider  
16 who rendered the prepaid dental services; and

17                   (2) "claim" means a demand for prepaid dental  
18 services payment."

19           Section 4. A new section of the Prepaid Dental Plan Law  
20 is enacted to read:

21                   "NEW MATERIAL PROVIDER DISCRIMINATION PROHIBITED-- DENTAL  
22 HEALTH CARE. --All individual and group subscriber contracts  
23 delivered or issued for delivery in New Mexico by a prepaid  
24 dental plan that, on a service or indemnity basis, or both,  
25 provide for treatment of persons for the prevention, cure or

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1 correction of any illness or physical or mental condition shall  
2 not contain any provisions that exclude a person licensed  
3 pursuant to the Dental Health Care Act and shall not  
4 discriminate in the reimbursement levels for same or similar  
5 services provided by other providers. "

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